

House Concurrent Resolution No. 15

96TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVES CAUTHORN (Sponsor) AND MCGHEE (Co-sponsor).

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WHEREAS, our Founding Fathers were very familiar with the disastrous consequences, such as sharp price increases and the loss of wealth by most citizens, experienced by those colonies that had issued paper money not backed by gold or silver; and

WHEREAS, our Founding Fathers were very careful to craft a Constitution that prohibits the issuance of paper money by either the federal government or the states by including such statements as "No State shall...make any Thing but gold and silver Coin a Tender in Payment of Debts..." (Article I, Section 10, United States Constitution), and only empowering the federal government "To coin Money, regulate the Value thereof, and of foreign Coin..." (Article I, Section 8, United States Constitution); and

WHEREAS, the United States Constitution designated the "dollar" as the standard of value (Article I, Section 9, Clause 1 and the Bill of Rights, Seventh Amendment), which was acknowledged by the Mint Act of 1792 to be a silver coin containing 371.25 grains (troy) of pure silver; and

WHEREAS, our national government's first experiment with an unbacked paper currency, the Civil War-era "greenback", led to the large-scale loss of wealth by United States citizens when they were paid with "greenbacks", which had only about half the value of gold-backed notes; and

WHEREAS, the creation of the quasi-public, independent Federal Reserve System by the United States Congress in 1913 has led to our current monetary system of a fiat paper currency, the "Federal Reserve Note", not backed with either gold or silver since 1971; and

WHEREAS, the Federal Reserve System created a 3,000% increase in the money supply (properly known as inflation) over the years 1959 to 2006, which led to an 89% loss in the purchasing power of our "Federal Reserve Note" paper dollars (the classic effect of inflation) during the same time period; and

31 **WHEREAS**, the Federal Reserve System has been greatly increasing the money supply
32 in recent years, and beginning with the financial crises of 2008, undertaking to create additional
33 trillions of dollars out of thin air for bailouts with no end in sight, or as the New York Times for
34 November 26, 2008, put it, "The Federal Reserve and the Treasury announced \$800 billion in
35 new lending programs on Tuesday, sending a message that they would print as much money as
36 needed to revive the nation's crippled banking system..."; and

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38 **WHEREAS**, as a result of these recent, large-scale increases in the money supply, we
39 can expect unprecedented rounds of price increases and economic dislocations in the future,
40 leading to unprecedented losses of the value of take-home pay, retirement income, insurance
41 policies, and investments by most citizens, and possibly ultimate economic chaos:

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43 **NOW, THEREFORE, BE IT RESOLVED** that the members of the House of
44 Representatives of the Ninety-sixth General Assembly, Second Regular Session, the Senate
45 concurring therein, hereby urge the United States Congress to use all of their efforts, energies,
46 and diligence to protect all the citizens of this nation from potential, unprecedented losses in the
47 value of take-home pay, retirement income, insurance policies, and investments as a result of the
48 Federal Reserve's ongoing inflation of our unbacked paper money by passing legislation (such
49 as H.R. 2756 to repeal our nation's legal tender laws, H.R. 4683 "The Free Competition in
50 Currency Act of 2007", and H.R. 5427 the "Tax-Free Gold Act of 2008) to help restore gold and
51 silver money in accordance with the United States Constitution, then phasing out the Federal
52 Reserve System and its inflationary paper money, the Federal Reserve Note (as in H.R. 2755);
53 and

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55 **BE IT FURTHER RESOLVED** that the Chief Clerk of the Missouri House of
56 Representatives be instructed to prepare properly inscribed copies of this resolution for the
57 President of the United States Senate, the Speaker of the United States House of Representatives,
58 the Majority and Minority Leaders of the United States Senate and House of Representatives, and
59 each member of the Missouri Congressional delegation.

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